
EXHIBIT E

DRAFT PROCEDURES AND REQUIREMENTS

Cal/EPA EJ Small Grants for 2007 Grant Cycle

The Environmental Justice (EJ) Small Grants is administered by the California Environmental Protection Agency (Cal/EPA). These Procedures and Requirements describe project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, project completion and close-out procedures, records and audit requirements.

This document is incorporated by reference, and attached to, the Grant Agreement.

All documents submitted must be printed double-sided.

I. Questions

All communication regarding this grant should be directed to your Grant Manager. Visit our Cal/EPA EJ Small Grants Program webpage at <http://www.calepa.ca.gov/EnvJustice/Funding/SmallGrants.htm>.

II. Reporting Milestones

Date	Activity
August 1, 2007	Grant Term Begins after receiving Notice to Proceed
January 14, 2007	Progress Report 1 due (covering August 2007 – December 2007)
May 14, 2007	Progress Report 2 due (covering January 2008– April 2008)
August 1, 2008	Grant Term Ends
November 5, 2008	Final Report and Final Payment Request Due
<u>Important Notices:</u>	If 80% or more of the grant funding is expended before the January 14 or May 14 Progress Report is due, in lieu of these progress reports, a Progress Report or Final Report (whatever is deemed more appropriate by your Grant Manager) is also due and must be submitted with the Payment Request for the reimbursement of the 80% or more of the grant funding.
	Advances: An advance of up to \$5000 (or percentage thereof) may be requested to start work on your grant project. A grant advance must be made in writing and approved by your Grant manager. The grant request must include a written detailed description of how the advanced funds will be expended.
	Failure to submit the final report and final Payment Request, with appropriate documentation, by November 5, 2008, may result in rejection of the Payment Request and/or forfeiture by the Grantee of claims for costs incurred that might otherwise have been eligible for grant funding.

III. Progress Reports (not including Final Report)

The Progress Report should include, at a minimum, the following:

- A. The Grant number, Grantee's name, Grantee's contact information, and reporting period.
- B. A description of work completed, arranged as according to tasks and activities shown in your Work Plan. Include as an overall summary, or in each section, responses to the following questions as applicable:
 - i. What were the successes (so far) in relation to goals and objectives?
 - ii. What problems/challenges were discovered during implementation?
 - iii. How were problems/challenges (if any) resolved during this reporting period?
 - iv. What "best practices" might be shared with other areas?
- C. A brief discussion of work to be conducted during the remainder of the grant term. If necessary, discuss any adjustments to the Work Plan resulting from your process evaluation.

Your Grant Manager must give written pre-approval for any changes to the Work Plan or Budget.

IV. Eligible Costs

All expenditures must be only activities, products, and services included in the approved Work Plan (Exhibit C) and approved Budget (Exhibit D). All expenses (including services and goods expenses) must not be incurred before receiving the Notice to Proceed letter.

Important: Any proposed revision to the Work Plan and/or the Budget must be submitted, and pre-approved in writing by your Grant Manager, prior to Grantee incurring the proposed expenditures. The approval for revision document should be retained by the Grantee for audit purposes.

Examples of eligible costs for funding include the following:

- a) Distribution of information to help resolve environmental problems;
- b) Identification of improvements in communication and coordination between stakeholders and Cal/EPA and its Boards, Departments, and Office (BDOs) in order to address the most significant exposure to pollution;
- c) Improvement of community/tribal government understanding about environmental issues that affect its community/tribal government;
- d) Promotion of community/tribal government involvement in the decision-making process that affects the environment of the community/tribal government; and
- e) Enhancement of community/tribal government understanding of environmental information systems and environmental information.
- f) Other costs deemed eligible by Cal/EPA consistent with state law.

V. Ineligible Costs

Any costs not included in your approved budget, and not directly related to the approved grant project, are ineligible for reimbursement. If you have any questions regarding ineligible costs, contact your Grant Manager.

Examples of ineligible costs for funding include the following, but not limited to:

- a. Lobbying or advocacy activities relating to any federal, state, regional, or local legislative, quasi-legislative, adjudicatory, or quasi-judicial proceeding involving development or adoption of statutes, guidelines, rules, regulations, plans or any other governmental proposal, or involving decisions concerning siting, permitting, licensing, or any other governmental action.
- b. Litigation, administrative challenges, enforcement action, or any type of adjudicatory proceeding.
- c. Funding of a lawsuit against any governmental entity.
- d. Funding of a lawsuit against a business or a project owned by a business.
- e. Matching state or federal funding.
- f. Other state grant programs.
- g. Performance of any technical assessment for purposes of opposing or contradicting a technical assessment prepared by a public agency.
- h. Other work deemed ineligible by Cal/EPA consistent with state law.

VI. Payment Requests

The Grant Manager shall authorize payment upon approval of a complete and accurate Payment Request and, where applicable, approval of all required reports.

Forms for a Payment Request

All forms can be downloaded from the Cal/EPA's EJ Small Grants Program website (<http://www.calepa.ca.gov/EnvJustice/Funding/SmallGrants.htm>) or contact your Grant Manager.

Required Documents and Format for Payment Request

A complete Payment Request must include the following items in the order listed.

1. **Grant Payment Request Form** (Cal/EPA Form 220) – This form must be signed by the individual authorized by the grant agreement. Please remember to type or print the individual's name and title below the signature.
2. **Expenditure Itemization Summary** - All expenditures must be itemized.
3. **Supporting Documentation** – Documentation for all expenditures claimed on the Payment Request should be retained for a minimum of three years after the close of the Grant Term for audit purposes, or for a longer period of time if warranted to resolve any issues with this Grant. (see Audit/Records Access in Terms and Conditions, Exhibit A) Types of acceptable documentation include:
 - a) **Invoices.** Invoices must include the name of the vendor, vendor's telephone number and address, description of goods or services purchased, amount due, and date.

- b) **Receipts.** Receipts should include the same information as invoices (see above).
- c) **Purchase orders with proof of payment.** Purchase orders should include the same information as invoices and receipts, and must be accompanied by proof of payment (e.g., copies of cancelled checks).
- d) **Personnel Expenditure Summary.** Document personnel expenditures based on actual time spent on grant related activities (these forms are not required if you have an alternate time reporting method pre-approved by your Grant Manager).
- e) **Travel Expense Summary.** Document costs related to travel and include supporting documentation. Lodgings, Meals and Incidentals: Unless otherwise provided for in this Agreement, Grantee's Per Diem eligible costs are limited to the amounts authorized in the California *State Administrative Manual* (visit <http://sam.dgs.ca.gov/TOC/default.htm> or contact your Grant Manager for more information).

VII. Final Report

The Final Report summarizes the **entire** grant term (from August 1, 2007, through August 1, 2008), and includes:

- a. The Grant number, Grantee's name, Grantee's contact information, and Grant Term.
- b. The following disclaimer statement:
- c. "The statements and conclusions of this report are those of the Grantee and not necessarily those of the California Environmental Protection Agency, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."
- d. Description of activities that were undertaken, continued, and completed during the reporting period. Activities must be arranged by the categories shown in your approved Work Plan.
- e. Summary of results, as applicable to your Work Plan:
- f. Evaluation of program outcome during the Grant Term.
 - i. What are the methods used to evaluate project effectiveness to address EJ?
 - ii. What were the successes in relation to goals and objectives?
 - iii. Did this project build upon "best practices" or previous projects from other areas? If yes, which ones and what changed in the design of your project?
 - iv. What problems/challenges emerged during implementation? How did you resolve them?
 - v. What would you do differently if you had the project to design all over again?
 - vi. What "best practices" might be shared with other areas?

VIII. Where to Send Grant Correspondence (e.g., Reports, Payment Requests, etc.)

Send your Reports, Payment Requests, and all other written correspondence to your Grant Manager's attention at:

California Environmental Protection Agency
Attn: (your Grant Manager's name)
EJ Small Grants Program
PO Box 2815
Sacramento, CA 95812

IX. Services Rendered

Goods and services must be paid for and received within the period from the beginning to the end of the term of the Grant Agreement.

X. Exceptions and Audit Considerations

Exceptions to the provisions of the Grant Agreement may be considered on a case-by-case basis.

Requests must be submitted in writing, and pre-approved in writing, by your Grant Manager. The Grantee is responsible for retaining documentation of any exceptions to the Grant Agreement for audit purposes.

This Grant is subject to audit for at least three years after the close of the Grant Term, or for a longer period of time if warranted to resolve any issues with this Grant. Documentation and a clear audit trail are essential to grant management.